

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 680 - SB 794

March 4, 2021

SUMMARY OF BILL: Requires notice of the sale of land through foreclosure to be filed with the register of deeds.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue – Exceeds \$50,000/FY21-22 and Subsequent Years

Assumptions:

- The proposed language would require notice of the sale to be filed by the party selling the property.
- Pursuant to Tenn. Code Ann. § 8-21-1001(b):
 - Registers of deeds are authorized to assess fees for filing documents;
 - For each document registered, a \$10.00 fee is assessed on the first two pages; and
 - For each page in excess of two pages, an additional \$5.00 is assessed.
- Based on the Tennessee Housing Development Agency's Foreclosure Trends reports:
 - In 2016 there were approximately 12,000 loans in foreclosure;
 - In 2017 there were approximately 10,000 loans in foreclosure;
 - In 2018, there were approximately 8,000 loans in foreclosure; and
- This analysis assumes:
 - In any given year there are at least 5,000 loans in foreclosure which will result in a sale of property;
 - Each notice will be only two pages in length.
- The proposed language will result in a recurring increase in local revenue estimated to exceed \$50,000 (5,000 notices filed x \$10 fee), beginning in FY21-22 and occurring in subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive style with a large, stylized 'B' and 'S'.

Bojan Savic, Interim Executive Director

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